

BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE  
OF THE STATE OF IDAHO

STATE OF IDAHO, DEPARTMENT OF )  
FINANCE, SECURITIES BUREAU, )

Docket No. 2010-7-13

Complainant, )

AGREEMENT AND ORDER

vs. )

C&C CAPITAL, LLC, CHAD E. )  
LONGSON, and MCCORD )  
CHRISTENSEN, )  
Respondents. )

The Director of the Department of Finance, State of Idaho (Director) has investigated the activities of Respondents C&C Capital, LLC, ("C&C"), Chad E. Longson ("Longson") and McCord Christensen ("Christensen"). Pursuant to said investigation, it appears that violations of the Idaho Uniform Securities Act (2004) ("Act"), Idaho Code § 30-14-101 *et seq.* have occurred. The Director and Respondents have agreed to resolve this matter without a public hearing. Therefore, the Director deems it appropriate and in the public interest that this Agreement and Order be entered. Respondents consent to the entry of this Agreement and Order.

RESPONDENT

1. Longson and Christensen organized C&C in the state of Idaho on or about August 9, 2005. C&C's primary business has been real estate investing, borrower lending and occasional inventory financing. In addition to the capital injected by Longson and Christensen, C&C funded its business dealings through the issuance of promissory notes to investors. The real estate based notes were generally collateralized, directly or indirectly, by either first or second priority position

deeds of trust. The inventory-based notes were indirectly collateralized by UCC-1 filings, providing C&C with a secured position in the inventory.

2. Longson, an Eagle Idaho resident, is sole owner of Summit Financial ("Summit"). Summit was incorporated in Idaho on or around May 31, 2000 and was created chiefly for the purpose of real estate investing and borrower lending. Longson is the managing member of Summit and Summit is a managing member of C&C. In late 2005, Summit became 50% owner of C&C, and Longson gradually moved Summit's business dealings to C&C. Respondent Longson is not registered or exempt from registration in Idaho as an agent pursuant to §30-14-402 of the Act.
3. Christensen, an Eagle Idaho resident, filed articles of organization for McCord Christensen Holdings ("MCH"), with the Nevada Secretary of State on or around August 31, 1999. Christensen is a managing member of MCH and a manager of C&C. MCH has functioned as a holding company of stock and equity in various business entities and real estate. In August 2005, MCH became 50% owner of C&C. Respondent Christensen is not registered or exempt from registration in Idaho as an agent pursuant to § 30-14-402 of the Act.

#### FINDINGS

4. Beginning April 2005 through July 2007, C&C sold investments in the form of promissory notes, totaling approximately \$8 million to twenty-seven investors. C&C used the investment proceeds to fund real estate transactions. Additionally, from January 2008 through July 2008, C&C sold investments in the form of promissory notes totaling approximately \$3.3 million to eleven investors. C&C

used the investment proceeds to fund inventory financing. All notes were issued by C&C.

5. The promissory notes issued by C&C constitute securities as defined in Section 30-14-102(28) of the Act.

#### VIOLATIONS

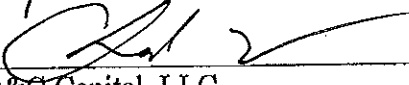
6. Idaho Code § 30-14-301 provides that it is unlawful for any person to sell or to offer to sell any security in this state unless (a) the security is a federal covered security; (b) the security, transaction or offer is exempted from registration under sections 30-14-201 through 30-14-203, Idaho Code; or (c) the security is registered under the Act.
7. Violations of Idaho Code § 30-14-301 have occurred in that Respondents Longson and Christensen sold unregistered securities in the form of promissory notes to Idaho investors.
8. Idaho Code § 30-14-402 provides that it is unlawful for an individual to transact business in this state as an agent unless the individual is registered under the Act as an agent or is exempt from registration as an agent.
9. Respondents Longson and Christensen offered and sold investments in C&C without the benefit of agent registration in violation of Idaho Code § 30-14-402.

#### REMEDIES

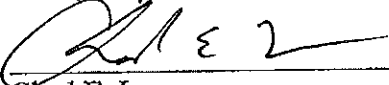
10. Respondents admit the finding and violations contained in this Agreement and Order.
11. Respondents represent that the information provided to Complainant in its investigation of this matter is accurate and complete.

12. Respondents agree to pay a fine to Complainant in the amount of fifteen thousand dollars (\$15,000) within thirty (30) days of the date of this order.
13. Respondents agree to comply with all provisions of the Idaho Uniform Securities Act (2004) in the future. In the event the Respondents commit violations of the Act within one (1) year of the date of this Order, Respondents acknowledge that Complainant can incorporate the allegations giving rise to this Order in any future proceeding.
14. If the Respondents fail to timely meet all terms and conditions set forth in this agreement, this agreement shall be null and void, and the Department may seek all remedies allowed by law that arise from the violations referenced in paragraphs 6 through 9 above.

DATED this 17 day of May 2010.

  
C&C Capital, LLC

By: Summit Financial Inc (Managing Member)  
BY: Chad Longson  
Title: President

  
Chad E. Longson

  
McCord Christensen

DATED this 20th day of May, 2010.

STATE OF IDAHO, DEPARTMENT OF  
FINANCE, SECURITIES BUREAU

Marilyn Chastain

MARILYN CHASTAIN  
Bureau Chief, Securities Bureau

IT IS SO ORDERED.

Gavin Gee

GAVIN M. GEE  
Director, Department of Finance

